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11 February 1957

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MEMORANDUM FOR:

SUBJECT : Office of General Counsel Handbook

1. Attached is a tentative outline of chapters for the Handbook which when written would cover most of the basic legal problems of CIA.

2. If it can be completed, and I think it can, it would provide a most useful repository of basic operating and theoretical principles. This would be especially valuable for new personnel who have not had experience with the Agency, and also require some basic thinking on our constitutional position. The fact that in the past you have been able to establish good precedents in this area at short notice does not mean that newer and less experienced counsel could do the same if your and Mr. Houston's guidance was suddenly unavailable.

3. Also enclosed is the chapter on "Withholding Information". I think it is quite complete and is sufficient to serve as a basic study of the problems in this field. The part pertaining to CIA discusses past solutions, supporting arguments for various aspects of the problem, and also future situations which will probably arise.

4. As to the other chapters indicated by the outline, it is difficult to tell how the breakdown will work out until each chapter is worked on. My impression is that most of them will not require anywhere near the amount of material and research which were necessary for the chapter just completed. Most of the topics are much narrower in scope and have very little case law or statutory interpretation concerning them. Also most of them apply to this Agency alone. I should think that

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the various chapters could be assigned to the office personnel to be done along with their regular work. Not only would the completed job be of value, but the basic thinking required would be very stimulating and valuable to the person doing the work.

5. In so far as my experience with this chapter can be transferred to the problems in other chapters, I have the following suggestions.

a. The chapters should be written for the purpose of the Office and stress the following: the basic principles involved; supporting and opposing arguments for various issues which are raised; and past Agency solutions and experiences concerning the problems in the field. Rather than attempting to write an unclassified part, it is easier to sterilize the completed chapter if outside distribution is desired.

b. An index should be constructed as each chapter is completed which would not only include topics, but most important, the various references to the CIA statute. Also of value would be other statutes cited.

c. I think each chapter should be designed so that further research could be easily done, both to bring it up to date and to expand particular points. For this purpose a listing of relevant West Key Numbers where applicable would be useful. Also a list of articles and A.L.R. notes. Such things are included in the Annex to the "Information" chapter.

d. The chapters should be as short and to the point as possible. The use of footnotes for citations on particular points is preferable to an overblown text.

e. It would be worthwhile to examine comparable English and Commonwealth practices on some of the topics, especially those concerning security and operations.

f. Discussion with people in CIA and other agencies usually prove most rewarding.

6. Perhaps when the bulk of the chapters are completed a synthesis of the constitutional problems could be arrived at. It would consider the Agency's unique position and the meaning

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of its statute. Such a chapter was suggested in the original outline for the project. I don't think that it would be successful until the more particular work was done.



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Office of General Counsel

Attachment

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A HANDBOOK OF STATUTES AND LEGAL PRINCIPLES
PERTAINING TO THE CENTRAL INTELLIGENCE AGENCY

I. PROBLEMS PERTAINING TO OPERATIONS

A. Use of Confidential Funds

A study has been completed, but should be reviewed and amended to fit in with the general scheme of the outline. There should be less focus on the historical situation and more on present practical and legal considerations.

B. CIA Corporations

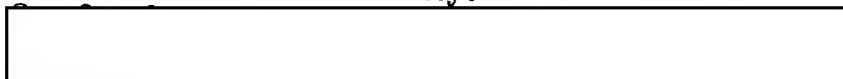
A paper on this subject has been completed, but will need reworking. The tax situation might be more fully explored.

C. Budgeting - Title 31

It may be found that a chapter on this topic will not hold together and should be split up among the others.

D. Aliens

1. The Director's authority.



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E. Administration (Other than personnel administration)

1. Federal Property and Administrative Services Act.
2. Armed Services Procurement Act.
3. Walsh-Healy Act.
4. Contract and procurement problems generally.

II. PROBLEMS PERTAINING TO PERSONNEL

A. Civil Service

What is the effect of the great bulk of administrative regulations in the Civil Service Personnel Handbook that do not concern a particular statute, but apply to general administrative relations with the Civil Service Commission? In addition the problems encountered under the following statutes should be considered:

1. Veterans Preference Act
2. Civil Service Retirement Act
3. Annual Sick Leave Act
4. Classification Act
5. General Separation Techniques and Problems.
Director's special authority.

B. Compensation

1. Director's authority and general payment system.
2. Federal Employees Compensation Act.
3. Dual Compensation.
4. Conflict of Interest Problems.
5. Other benefits.
 - a. FEGLI
 - b. Missing Persons Act.

C. Travel

1. CIA Act and unvouchered funds problems.
2. Regulations and applicable statutes.
 - Travel Expense Act.
 - Administrative Expense Act.
 - Foreign Service Act.

D. Prosecution under various criminal laws for mis-handling of funds (Excluding espionage acts)

1. Court martial jurisdiction.

E. Government Security Program - Relation to CIA

1. E.O. 10450
2. National Security Act, Sec. 102 (c).
3. P.L. 495 (McCarran Rider)

G. Miscellaneous

1. Federal Tort Claims Act.

III. SECURITY - CONTROL OF INFORMATION AND PERSONNEL

A. Withholding Agency information from the courts or Congress

Completed.

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B. Controlling past and present employees.

1. Secrecy agreements and their enforcement.
There are several memos on this subject written in connection with the case. The possibility of an injunction for a breach of contract is considered.
2. Oaths and their value.
3. Criminal prosecution.
 - a. Espionage statutes, Internal Security Act attempts, etc.
 - b. Other statutes which might apply: embezzlement, larceny, etc.
Considered for their normal purpose in another section.
4. Administrative Controls
In certain situations retirement, terminal pay and allowances might be cut off or at least delayed.

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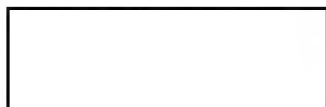
TRANSMITTAL . . . P	
(Date)	
BUILDING	ROOM NO.
REMARKS:	
<p><i>I have left some of the files intact for other contemplated chapters. They are enclosed. I do hope you can get this finished for it would be most valuable. Hope to see you in N.Y.</i></p>	
FROM:	
BUILDING	EXTENSION

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FORM NO. 36-8
SEP 1946

LS 5-1136 on Hett rick h. c. by LRH to Norman Paul,
22 May 1957

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Returned.

*Paper given to Paul by
I.R.H. It will be returned.*

J. 5/23/57